

3 SEP 1963

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Current Interest Items

1. United Givers Fund Campaign

Under present procedures, the Civil Service Commission establishes quotas for the UGF campaign for the various Government agencies on the basis of grade distribution statistics. Since these data are not available to them for CIA, they consult with us before setting CIA's quota. We have been advised by the CSC that the Government unit quota is being increased by 4% and that this is being applied to other agencies. Applying that factor to last year's goal (\$102,500) requires an increase of \$4,100 to make our 1963 goal \$106,600. This figure has been reported back to CSC as the Agency's 1963 quota.

Initial planning for the campaign has been somewhat slow but the pace will pick up next week. In the meantime, personal letters are being prepared for release on or about 4 September to some 278 employees who have any 1962 pledge balance still outstanding. These employees are being asked to pay their pledge or notify us if they cannot before the opening of the 1963 drive. In addition, special letters are being drafted to some 75 people who have repeatedly fallen short in paying their UGF pledges to request they pledge an amount they can (or will) pay in 1963.

2. State Department Action on the Herter Report

a. The Executive Committee which was established to oversee actions on the Herter Report met on 8 August for the first time in four or five months. According to an informal discussion with a State Department representative, the following developments came out of that meeting:

1. The Executive Committee has decided, formally, that it will not seek legislation to create a "family of Foreign Affairs Services." Thus, a single system presided over by a top official of State will not come into being, nor will a single pay system, nor a single retirement system.

2. State, AID, and USIA have agreed to carry out as many of the administrative improvements recommended by Herter as present legislation will permit and the individual agencies consider desirable. Specifically, the agencies will continue working on plans for:

- a. A pool of executive talent to be shared by the three agencies;
- b. Agreements for the exchange of selected employees among these three agencies and also with other agencies such as Defense, CIA, Commerce, etc.;
- c. Joint personnel recruiting and examining programs; and

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- d. An expansion of activities of the Foreign Service Board which may lead to invitations to representatives from other agencies such as CIA to participate in, or at least observe, meetings which deal with personnel problems of widespread interest.

b. State's Personnel Office is preparing a Statement of Goals and Objectives incorporating administrative improvements suggested by the Herter Report, plus some other ambitions State would like to pursue. This will result in saddling the Personnel Office with the long-term follow through on the Herter Report, and will enable the various Task Forces, Steering Committees, and the Executive Committee set up last January to go out of existence.

c. One action of immediate interest to us which State, AID, and UEIA are pursuing is an agreement with the CSC to permit employees to transfer to competitive positions in other departments. They are drafting an Executive Order which appears to have a good chance of acceptance. The Order will permit non-status employees from these agencies to transfer to competitive positions by passing non-competitive qualifying examinations. At the senior grades, "examination" most likely means, not a written test, but merely a review of qualifications. We will keep a close watch on the progress of the Executive Order because it may become a vehicle we can either tie onto or adopt as a model.

3. Dual Compensation Bill

According to reports in the press, a compromise bill has been drafted which has as its main features the following:

a. Veterans preference in civilian jobs would not be given those persons who made a career of military service and who retired on pensions after at least 20 years of military service. All others with a military background would get preference in the regular manner when they applied for and held Federal civilian jobs.

b. Retired military people who are appointed to civilian jobs could keep the first \$2,500 of their military retirement pay and half of any remainder in addition to their civilian salaries.

c. The so-called Gilpatric memo would be written into law. It would require military retirees to wait at least six months before they could be hired as civilians in jobs similar to those they held in the military service. But the Civil Service Commission would be empowered to fill critical vacancies.

d. These and other restrictions would apply only to those who are appointed after the bill is enacted into law. They wouldn't apply to retired military people now in civilian jobs.

The Legislative Counsel has informally advised us that preparation of proposed Agency legislation to increase the number of PL 53 slots has been

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suspended. The proposed dual compensation bill would repeal PL 53. Present prospects for its enactment by this session of Congress appears good.

4. Reemployment of Disabled Employees

The press also reports that an Executive Order is being drafted to give special preference to Federal employees who suffer on-the-job disabilities. The draft order is reported to provide mandatory reemployment rights for a three-year period to such employees. Those who recover during that period would be eligible for mandatory reemployment. Agencies would have to find suitable jobs for those who are partially recovered but who are permanently disabled.

During the first year of absence on disability, the employees couldn't be separated for physical reasons except through retirement or unless they are judged to be totally and permanently disabled for further service in their old jobs. We will watch for further developments on this but do not anticipate any special problems if it is issued in the form described.

5. Processing Insurance Claims

The backlog reported last week has been cleaned up and claims are now being handled in three to four days in most cases. Staffing in the Insurance Branch is becoming critical however because of increased workloads anticipated from the installation of the PAMA program and from the proposed dental insurance plan. Mutual of Omaha has advised us informally that they are ready to proceed with the dental plan on the basis of the number of employees who have expressed an interest. A separate memorandum is being prepared to set forth our manpower requirements for this program and to request additional ceiling and funds to support it.

6. Integrated Personnel Information System

As a result of the Notice announcing Phase II of the program for installing this system, the Chief, Special Activities Staff met with ID/P Personnel Officers on 29 August to discuss the program and its objectives.

Although the reports in the system are scanty, it is being checked routinely on proposed promotions and overseas assignments. Nominations of the Deputy Directors for the Senior Staff Schools are also being checked against this record.

7. Nominations for Senior Staff Schools

Some of the nominations were tardy in reaching us. However, the last list reached us on 30 August. Biographic profiles and other supporting materials are being prepared for the ad hoc committee which will review these requests and the committee will be convened as soon as possible.

8. Secretarial vacancy - Office of the Comptroller

Who has been secretary to the Chief, EE Division has been selected for this assignment and will report for duty on 9 or 10 September.

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9. Secretary for [REDACTED]

[REDACTED] has previously notified us that he wanted to replace his present secretary and he had tentatively selected a new appointee for this job. However, as a result of a letter of recommendation received by General Carter on behalf of a more experienced secretary [REDACTED] who is scheduled to enter on duty 3 September, [REDACTED] has requested [REDACTED] assignment. Also, since it is planned that she will help out in General Carter's office during an extended leave for [REDACTED] which begins 3 September, he asked for expedited processing. By curtailing some of the clerical training ordinarily given to new employees, we have arranged for [REDACTED] to report to [REDACTED] on 9 September. Both the Medical Staff and the Office of Security have cooperated in scheduling her EOD processing for this purpose.

10. Early Retirement Bill

The delay in rescheduling hearings on the bill have given us an opportunity to re-examine the bill carefully. Since the Subcommittee has relaxed the previous caution against deviating in any respect from the Foreign Service Act, we have been, as indicated in last week's report, considering with the Legislative Counsel the possibility of incorporating now some of the liberalizing amendments to the Civil Service Retirement Act which have not been incorporated into the Foreign Service Act. A list of the major items is attached. (Tab 1)

We have also noted several technical points which are covered in the Civil Service Retirement Act but not in the Foreign Service Act and are studying the need for covering them in the proposed CIA Act. We have also made a number of editorial improvements with regard to such matters as consistency of terminology and phrasing and the uniform style in citations to other acts.

The additional time is also permitting a revision of our briefing and presentation materials to delete references to Title I (non-retirement provisions) of the original bill and to have a tidier package for the next hearing. However, except for such changes as will be required if the bill is modified substantively, we are prepared for a hearing on short notice, and we are working on an alternate draft bill to include these substantive changes.

(A complete set of revised materials will be available to update the notebooks supplied to DD/S if desired. One reference paper which has been very useful to us--a section by section reproduction of the CIA, FSA, and CSR systems--is attached. (Tab 1) The text of the proposed CIA bill is current.)

It appears very unlikely that there will be a hearing during the week of 3 September since most of the Subcommittee members are scheduled

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to be out of the city. We understand that there are at least two other items of business that will be taken up on their return before our retirement bill will be called up. Also, there is no indication as to when we will have an opportunity to appear before the Ways and Means Committee again on the disability annuity provision.

11. Briefing of Don Smith, Bureau of the Budget

Mr. Don Smith and representatives of the Agency's Budget Division were briefed by [REDACTED] on 30 August concerning our programs and functions. Mr. Smith was particularly interested in the reasons why such an apparently large staff was required for the Office of Personnel. The attached notes (Tab 2) setting forth many of the special services provided were used in discussing this point with him. (Copies were not distributed.)

12. Detail of Clerical Personnel to the White House

The White House requested (through the Civil Service Commission) the indefinite extension of [REDACTED] and a 90-day extension for [REDACTED] both couriers. [REDACTED] had requested that he be permitted to return to the Agency for assignment to the headquarters building when detail was completed. By mutual agreement, he will be replaced effective 3 September by [REDACTED], GS-3, who has just entered on duty.

13. Representation Allowance for Recruiters for "100-Universities" Program

It now appears that in at least a few cases the \$300 allowance requested and approved will be insufficient. Chief, Personnel Recruitment Division is checking this and we may request an increase in the maximum authorized to cover these situations.

14. University Associates Conference

Planning is continuing for this conference on 9 and 10 October at [REDACTED]. The professional recruiters are scheduled for 7 and 8 October and (by request of the University Associates) will have a short overlap with the Associates for joint meetings.

15. Quality Step Increases

Six were approved during the week, bringing the total to 117. None of these were in DD/S offices. One recommendation which had previously been returned to the sponsoring career service for further consideration was re-submitted but appeared questionable even in light of the additional justification. This case has been further discussed with the recommending officer who requested that it be returned to him for further consideration.

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[REDACTED]
Acting Director of Personnel

Attachments: A/S

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26 Attachments